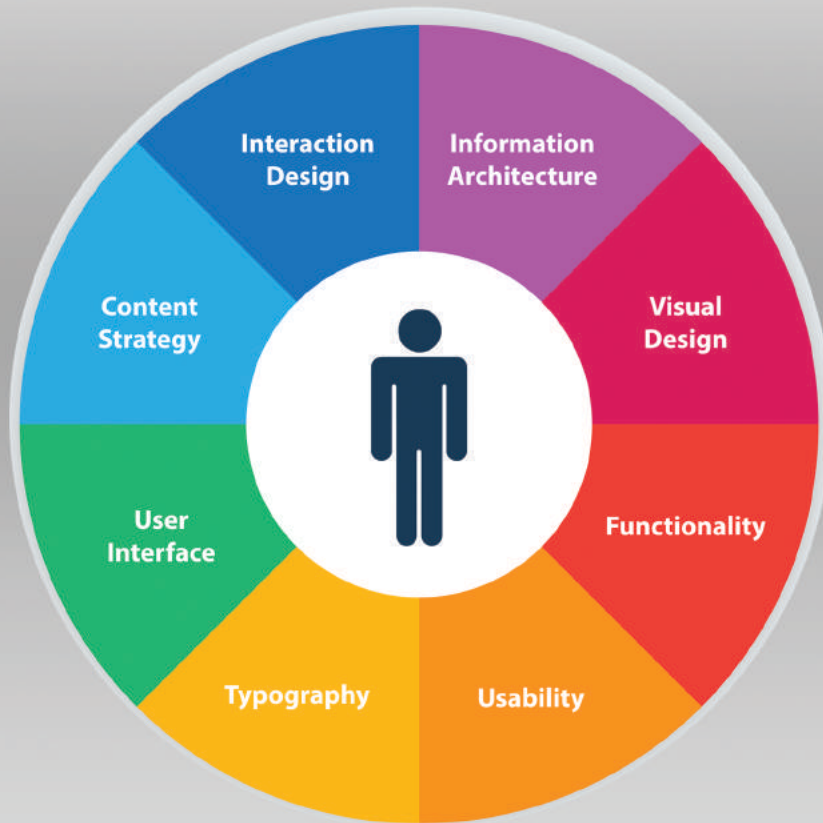




Special Report:

The Importance of User Experience in the Travel Industry



With Contributions From:

EyeforTravel's Social Media & Mobile in Travel Distribution Report (July 2013)



Deliver or die

The ferocious competition in the travel industry today means that fine-tuning the user experience must be an absolute imperative. In this report we take a look at some of the challenges and opportunities in a key area for differentiation.

Building brand loyalty through a great user experience and customer service has the greatest differentiation potential but it's complicated. After all, the travel industry has to work much harder than retailers to deliver conversions. Simply put this is because choosing where to holiday is one of the most important – and often expensive – decisions a person makes in a year.

Customers are increasingly picky too, visiting as many as 22 different travel points of contact (websites, social media, travel operators and so on) before making a booking

[Source: EyeforTravel's Social Media and Mobile in Travel Distribution Report, 2013]

Against this backdrop, the company that delivers highly relevant, compelling information, the security required for a customer to part with their hard-earned cash and which makes it simple to book will win the initial business. If they go a step further during and after the holiday that customer may even return and become loyal to the brand in the future.

While it is no understatement that a great, seamless, slick user experience is of utmost importance, brands must first understand their own business objectives and of course the customer. For Cheryl Reynolds, Manager, Distribution of Virgin America this is about collaboration between suppliers, online travel agents and meta-search players, for example. "It's important for all parties work together to address any issues, and that customer service teams stay in close contact with each other," she says. "We are continuously sharing changes to our route network, system enhancements, and any changes in strategy so that we can work more effectively together to provide an even better guest experience."

For many suppliers, however, the ultimate goal is direct bookings. UK Low-cost carrier EasyJet is one of these and its strategy seems to be working. It has developed a simple and easy to use website, it has a mobile app that delivers a mobile boarding card and other relevant trip information and is working with hotels, car hire,

parking firms and airport retailers and so on to deliver relevant offers at the point of sale and in the run up to departure.

Simplicity in a complicated world seems to be the key word in the discussion around user experience.

Ultimately if firms want a person to engage with their brand and products, they must put everything into ensuring the best experience for a visitor to their website. This includes everything from ease of use on the site, to what merchandising is offered, to great content and the overall visual appeal. It also means quick response times. A query about a reservation online should not be dealt with in 72 hours – which unbelievably still happens!

Of course, it isn't easy and the industry is not there yet, but what this does mean is that there are still plenty of opportunities for companies to delight the customer and capture market share.

View from an OTA: Testing Times

OTAs like Expedia, booking.com and Travelocity may be winning the consumer perception battle that their rooms are cheaper than direct suppliers but the bottom line is they don't sell rooms. And with competition from meta-search growing, the game is getting tougher. Rapid technological advancements mean brands must keep testing to find the optimal mix of information and visual material that works best for website visitors. That is what Travelocity is doing today.

Consider this, says **Bill Chase, director of online marketing at Travelocity**: "If a customer is searching for a hotel in New York and finds something at the right price, by the time they actually click through to us, they are pretty much sold on that property." For this reason it is crucial at this point to make the experience as simple, clean and accurate as possible to get those conversions. "This is a highly, highly relevant click and we need to frame the user experience in the easiest way possible." he says.

For Wilson, this is about having consistent messaging and consistent content across all relevant channels.

“If there is an image of a hotel on TripAdvisor, or any other website, then we need to ensure we have very similar images, that the pricing is the same, that we have the same room types and so on.”

For those customers who go directly to Travelocity.com to book, Wilson says that it is critical that all their searches are very easy and throw up relevant results. “This is something we are still getting better at and right now are doing a number of landing page tests such as one exclusively for hotels,” he explains. Travelocity is also testing in the search engine marketing space and seeing some good conversions from simply making the cannonball easy to use, as well as speeding up search results. Another experiment has been the introduction of one-click calendars, allowing users to easily enter departure and return dates.

Striking the right balance

This is all an ongoing process and there are several challenges to overcome. One of the biggest is how to ensure there is a good mix of options for search, as well as space for merchandising sales. “A lot of companies are struggling with how much real estate to dedicate to merchandising certain sales for certain lines of business,” he explains.

The question Chase finds himself asking is this: if somebody is just coming to the site simply to look for a flight do you really just want to show a giant image that talks about a cruise sale to the Caribbean?” Probably not! Perhaps there is a lesson in the fact that booking.com has not done a lot of merchandising on its site.

There is a fine line to be drawn between keeping it simple and getting enough information out of the person to deliver them with what they really want. If somebody is travelling with children, for example, having that knowledge can help a brand offer them family friendly properties.

Keeping it simple, applies to visual content too. “We have started to do a lot to space things out a bit more. We’ve also made our images very bright,” says Chase. Branded content has been a focus too, and Travelocity is careful not to put videos in the way of the booking path. Of course there is a place for video on the company’s blog, which is more about getting users to engage with the brand in various destinations.

Mobile Movers

The mobile user experience is one where there is still everything to play for. “Of course mobile is hugely important,” says Travelocity’s Bill Chase, whose company is looking at tablet as part of the desktop. “The smartphone is used far more by people on the go looking for a last-minute hotel or car rental,” he says. That said, getting the right hotel in front of the right person with the right amount of information to book continues to be a challenge. “We are trying to build search results so that hotels with deals are coming out at the top and also hotels the customer is most likely to be looking for.” That’s a tough nut to crack and a lot of technology still has to be built to solve the problem. It’s a shared challenge that everybody needs to put effort behind. The good news is there are opportunities too.

Here is why:

- Today mobile accounts for around 20% of all travel sales
- It is no longer highly price sensitive; people have become far more spontaneous on mobile
- The addition of social media to the mobile mix has increased trust.
- The immediacy of mobile continues to drive the trend towards last-minute booking.
- Mobile optimised sites are now considered business critical and some meta-search operators will not aggregate brands that lack this functionality.

Source: EyeforTravel’s Social Media and Mobile in Travel Distribution Report, 2013

Mobile Check In & Check Out

Concorde Hotels & Resorts has spotted an opportunity in mobile check in and check out. In 2012 over 53% of travel inspiration began on a mobile platform, says **Graham Dungey, the group's SVP eCommerce, Revenue & Business Development**. He believes mobile gives the customer has choice when they want it, how they want it and in a way they want it communicated. The move to self-service was driven by a number of factors including:

- The growth in mobile travel distribution technology
- User adoption of mobile technology with 3G connectivity
- Greater confidence in using mobile for transactional services
- The success of airline efficiency of mobile check in

For all these reasons and more it is clear to see why mobile should be a number 1 priority in the drive to create a great differentiating customer experience that builds loyalty.

Concorde's Smart Way is an electronic check-in and check-out system to help customers save time, while also enhancing the experience. Some people are, after all, willing to trade human interaction, admin and paperwork for a clean and clinical experience. But it is also about being flexible and embracing the individual specific needs of each guest.

One of the challenges today is that there is still a disconnect between the traditional industry teams of marketing and communication and the digital experience and technology teams. If this can change, there could be a number of new and innovative ways to communicate with the customer shortly after reservation, during the trip and even after check out. Think global positioning services with route planning, transport planning, SMS, mobile apps, interactive mobile sites, NFC or near-field communication and SIRI, speech interpretation and recognition interface.

Other ways hotels are moving to bring a new travel dimension to the hotel customer via smartphone:

- **eConcierge** – Think room service ordering, in-house experience inspiration and reservations for the wellness centre, golf, beach trips, sunbed and so on; restaurant bookings both on and off property; local attractions and off property experiences such as city tours, museum passes, CRM targeted offers; and even maintenance issues
- **The smartphone** becomes the room key, light switch, curtain opener, temperature regulator and so on.

Top Tips & Opportunities in the Quest for a Great User Experience

Broadly speaking, people travel to encounter great experiences, says **Charles Ehredt, Head of Venture Farm & Innovation at ODIGEO**, and if the method of enabling discovery and booking can enrich this experience, then this will become increasingly important for brands. But people are different too and so what they wish for may vary widely. Unsurprisingly then, when it comes to fully understanding the ‘user experience’, many brands still don’t have the answer. As a result there is plenty of opportunity.

7 Top Take Aways

Know your customer

For Ehredt while it is important to improve the user interface, it is more important to know the customer and propose the best alternative to that individual in their current context. The *EyeforTravel Social Media and Mobile in Travel Distribution Report 2013* finds that even though technology and the application of ‘Big Data’ can effectively reduce consumer targets to a segment of one, today there remain broadly three top consumer groups. These are:

- **Invisible Travellers** – those you want to target via social and mobile channels. Why? Because a typical traveller in this segment books online, checks in via mobile, uses room service rather than dines in hotel restaurants, and already knows the area well. Efficiency is more important than personal integration.
- **Tiger Travellers** – we’re talking Asian consumers. The number of Chinese and Indian travellers over the last decade has grown more than three-fold.
- **Leisure vs business travellers** – Leisure spending is continues to make up the largest component of revenues in the travel industry: 76% of direct travel gross domestic product (GDP) in 2012, compared with 24% of business travel.

Simplify the booking flow

Research indicates that people prefer simplicity. And for years many brands have been attempting to achieve this. However, they are not there yet and there is still a need to think very carefully about what

information the traveller needs to see and then display that prominently such as the price and a click-to-book button. On mobile there should also be an option to call – it is, after all, a telephone.

Look at the detail and test

Consider the types of error or the frequency of the errors. Look at exit rates (of people who hang around a while on a site) and bounce rates (people who leave immediately – a 30% bounce rate is too much says Google). Are your form fields simple enough or are people dropping out (tools like ClicTale are useful here)? How efficient is your payment profile page – at this page there can be huge exit rates. There are many free analytics tools like Google Analytics, ClicTale SessionCam and TeaLeaf to find out where things are going right and wrong.

Get genuine customer feedback

Iterating again and again based on customer feedback is a central tenet of the lean-start up methodology, which is growing in popularity, and can also apply to new projects in established organisations.

Focus more on the destination

Where many brands have not yet cracked the user experience is in the planning stage and also while they are at the destination. Chetan Patel, VP, Strategic Marketing & E-Commerce, Onyx Hospitality Group, believes OTAs could do better on this front. When a guest is in the planning stage, he/she is less interested in a particular hotel or flight. While at the destination people tend to be more relaxed about spending and there are plenty of opportunities to provide information about the surrounding area such as tours, activities, events and particularly via mobile. The question to ask: how can a travel company inspire travel at the times when the selling point is not the main issue for the customer? Most OTAs, says Patel, do a pretty awful job at this.

Be consistent with visuals but think twice about what to display and when

Allowing a video to pop up without a user asking for it, is a not advisable for example, nor is putting video in the path of booking. Make sure photographs can be clicked on. Static images are very frustrating. Ensure consistency across platforms. Give people as much visual candy so that they no exactly what they are

getting. Don't be deceptive.

Identify your objectives and target accurately

To build a presence it all starts with targeting. If you target the consumer well at any stage in a way that is relevant to your own business objectives, they will engage.

Case Study:

Facebook: User sharing is at the heart of everything

In today's connected world, you can't talk about user experience without factoring in social media. It isn't a fad, says Brian Solis, author of *What is the Future of Business*, and is about far more today than just Facebook, YouTube, Twitter and Pinterest. Today's connected customer spans all generations, is increasingly social and receptive to brands that deliver them what they believe they are entitled to.

This is something that Facebook has understood only too well. According to Lee McCabe, Head of Travel global vertical marketing, Facebook, the user experience is something that they have thought about in great detail. And as such, Facebook is playing an increasingly important role in the travel experience.

In the traditional five stages of travel – Dream, Plan, Book, Experience, Share, Facebook believes it not only impacts each one but it has also evolved these. In fact Share is no longer the last silo stage but at the heart of all five. And in fact share has now been replaced with 'reflect'.

- People are Dreaming about travel on Facebook.
- People are Planning travel on Facebook.
- People on Facebook are influencing Booking decisions:
 - 80% more likely to book a trip from a friend liking a page than they are from responding to traditional advertising
- People are sharing the Experience
 - 70% of people update their status and/or share photos while on holiday.
- And when People return home and curate and Reflect on their favorite holiday photos on Facebook, their friends are viewing these photos. This in turn is a huge catalyst to begin the dreaming stage.

52% of people on Facebook state that seeing a friend's holiday pictures inspired them to book a trip to that particular place.